(d) if so, the details thereof?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE) : (a) and (b) Disinvestment is an ongoing process and individual public sector undertakings are taken up for disinvestment on the basis of reports of the Disinvestment Commission and the proposals of the Ministry of Disinvestment after inter-Ministerial consultations. So far 12 PSUs and 3 hotels of Hotel Corporation of India Ltd. (HCI) and 100% Government equity in 18 hotel properties and one hotel (on lease-cum management contract) of ITDC have been disinvested through the process of strategic sale. 54 cases are at various stages of processing for disinvestment by this Ministry. Of these 13 PSUs and 2 hotels of HCI and 4 hotels of ITDC are expected to be finalised in the current year.

(c) and (d) All PSUs classified as non-strategic can be taken up for disinvestment to a level of 26% or lower, if necessary, as decided on a case by case. The priority for disinvestment is determined keeping in view market conditions, the nature of disinvestment and any other factor, which is likely to impact the realisable value.

Strategic sale of BPCL and HPCL

7. SHRI N.R. DASARI:
SHRI J. CHITHARANJAN:
Will the Minister of DISINVESTMENT be pleased to state:

(a) whether there has been resistance from the opposition as well as from some quarters in the ruling alliance including the Union Ministers against the Government's proposal for the strategic sale of BPCL and HPCL; and

(b) if so, the details thereof and the present stage of the proposal?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE) : (a) and (b) Disinvestment of Public Sector Undertakings (PSUs) is a continuous process. Government keeps considering proposals for disinvestment in various PSUs from time to time through inter-Ministerial consultations. After considering all relevant viewpoints, Government takes a final decision about disinvestment of a PSU in line with the approved policy. In February, 2002, Government had decided 'in principle' to disinvest in BPCL/HPCL through strategic sale with the modalities to be worked out

through consultations between the different ministries concerned on which several options are available. Final decision has not been taken so far.

Sale of Hotel Centaur

8. SHRI J. CHITHARANJAN:
SHRI V.V. RAGHAVAN:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned, "RSS group gains 35% in four months, on Centaur sale", which appeared in the Economic Times, dated the 19th October, 2002;

(b) whether the sale of Mumbai Centaur Hotel by Batra Hospitality Pvt. Ltd. to the Sahara Group is illegal; and

(c) whether Government are now considering insertion of a clause in the agreement which would make a PSU buyer share a part of the booty with Government if he sells it off before a stipulated period?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) The entire business of Centaur Hotel Airport Mumbai (CHMA), a unit of Hotel Corporation of India Limited (HCI), was transferred to M/s Batra Hospitality Private Limited (BHPL) on "Slump sale' basis through the process of disinvestment. The Agreement to Sell between HCL and BHPL was executed on 18.4.2002 and transfer of the business in favour of BHPL took place on 5.6.2002. Shri A.L. Batra, erstwhile Chairman of BHPL, has intimated that on 10.10.2002, the entire shareholding of BHPL has been bought over by Sahara India Group from the then existing shareholders of BHPL. The Legal Advisors to the disinvestment transaction have advised that the legal identity of BHPL has not changed with the change in its shareholding pattern and the ownership, right, title, interest and obligations of the entire business of CHMA continues to vest in BHPL, which is managing the business and affairs of CHMA as per the Agreement.

(c) No, Sir.